

RYAN J. MARTON (SBN 223979)
ryan@martonribera.com
CAROLYN CHANG (SBN 217933)
carolyn@martonribera.com
HECTOR J. RIBERA (SBN 221511)
hector@martonribera.com
CHIEN-JU ALICE CHUANG (SBN 228556)
cjalice@martonribera.com
PHILLIP J. HAACK (SBN 262060)
phaack@martonribera.com
LAUREN E. WHITTEMORE (SBN 255432)
lwhittemore@martonribera.com
MARTON RIBERA SCHUMANN & CHANG LLP
548 Market Street, Suite 36117
San Francisco, CA 94104
Tel.: (415) 360-2511

Attorneys for Zoho Corporation Pvt. Ltd

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

ZOHO CORPORATION PVT. LTD.

Plaintiff,

V.

FRESHWORKS, INC.

Defendant.

Case No:

COMPLAINT FOR:

- (1) VIOLATION OF DEFENSE OF TRADE SECRETS ACT;**
- (2) VIOLATION OF CALIFORNIA UNIFORM TRADE SECRETS ACT;**
- (3) INTENTIONAL INTERFERENCE WITH PROSPECTIVE ECONOMIC RELATIONS;**
- (4) CONVERSION**
- (5) UNJUST ENRICHMENT**

1 Zoho Corporation Pvt. Ltd. (“Plaintiff” or “Zoho”), by and through its attorneys, brings this
2 Complaint against Defendant Freshworks, Inc. (“Defendant” or “Freshworks”) and alleges as
3 follows:

4 **INTRODUCTION**

5 1. From its inception, Freshworks built its business upon the theft and misuse of Zoho’s
6 confidential business information. Founded by two former Zoho employees, Girish Mathrubootham
7 (formerly a Vice President of Product Management at Zoho) and Shan Krishnasamy (formerly a
8 Zoho Technical Architect working under Mr. Mathrubootham), Freshworks secured initial funding
9 through use of Zoho’s non-public financial information and has since engaged in a systematic
10 practice of poaching Zoho’s employees, using Zoho’s confidential customer and competitive
11 marketing information, planning press releases to coincide with Zoho’s undisclosed product launch
12 dates, and pressuring Zoho’s business partners to divulge Zoho confidential customer information.

13 2. Zoho is one of the world’s leading providers of web-based business software and
14 information technology tools. Not only does Zoho develop all its software offerings, it is a user of its
15 own products. As a company run completely on its own software solutions, Zoho’s own experience
16 using its software to run a business gives Zoho unique insight into market needs and demands,
17 enabling it to better plan product features and releases, including what type of products customers
18 will want, what specific features should be included, and the best way to interface with users.

19 3. Many of Zoho’s product offerings originated as tools developed for Zoho’s own
20 internal use. For example, Zoho included a bug tracking module in its Zoho Projects product based
21 on the requirements of several of its own products teams’ internal development and use of the
22 software. See <https://www.zoho.com/general/blog/zoho-runs-on-zoho.html>. Consequently, Zoho
23 employees throughout the entire organization, when performing their normal duties, contribute to and
24 have knowledge of Zoho’s plans for future product development and offerings through their own use
25 of and requirements for Zoho’s software tools. This type of internally generated information gives
26 Zoho a competitive advantage in the market.

27 4. Zoho continues to innovate and consult both internally and with its customers on the
28 development of new features and cloud-based offerings to serve the evolving needs of businesses.

1 The relationship Zoho builds with its customers, business leads, and its own workforce provides
2 Zoho with valuable feedback regarding the use and features of Zoho products. These relationships
3 and dynamics are an integral part of Zoho's success, differentiating it from other providers and
4 enabling its continued leadership and competitiveness in the market.

5 5. Accordingly, Zoho goes to great lengths to protect the confidentiality of such
6 information. For example, access to Zoho confidential business information such as customer lists,
7 potential leads, market information, pricing strategies, and product plans are limited to employee use
8 in furtherance of their job duties. Zoho requires its employees to execute non-disclosure agreements
9 promising to keep any Zoho trade secrets, confidential business information, technical information
10 and non-public know-how (including information regarding company finances, employees,
11 compensation, research and development, manufacturing and marketing) in confidence and not to
12 disclose such information outside of Zoho both during and after their employment. Employee
13 confidentiality obligations extend to all confidential business information, including technical
14 information, product development roadmaps, marketing plans, and customer lists and potential leads
15 tracked in Zoho's databases.

16 6. On information and belief, having worked at Zoho for nine years prior to their
17 founding of Freshworks, Messrs. Mathrubootham and Krishnasamy were privy to confidential Zoho
18 product, financial, pricing, and customer information and were well aware of Zoho employees'
19 creation of and access to Zoho competitive business information. After leaving to start Freshworks,
20 Mr. Mathrubootham improperly included Zoho confidential revenue figures in early Freshworks
21 investor pitch materials to secure initial investments, leveraging his work at Zoho and suggesting his
22 new start-up would perform like Zoho.

23 7. On information and belief, Messrs. Mathrubootham and Krishnasamy further used
24 Zoho know-how, product development, and market data to start Freshworks. While at Zoho, Mr.
25 Mathrubootham was Vice President of Product Management for ManageEngine, Zoho's IT
26 Management software. In that role, he was head of customer support for ManageEngine, which
27 offered him specialized and non-public knowledge of what Zoho (and thus other similar mid-size
28 companies) would need in a tool to provide efficient and effective support to its customers.

1 8. With nine years of this type of Zoho knowledge, Messrs. Mathrubootham and
2 Krishnasamy left Zoho to start Freshworks. Their first project was a prototype for a customer support
3 tracking and management software, exactly the type of services headed up by Mr. Mathrubootham at
4 Zoho. See <https://www.freshworks.com/company/about/>. They began this work in October 2010,
5 just as Zoho announced the release of Zoho Support (now Zoho Desk), Zoho's own customer support
6 software tool under development while Mr. Mathrubootham was still at Zoho heading up customer
7 support for ManageEngine. See <https://www.zoho.com/news/zoho-announces-zoho-support.html>.

8 9. Freshworks' customer support software, known as Freshdesk, would launch less than a
9 year later. Thereafter, Freshworks continued to launch a series of software products mirroring those
10 offered by Zoho and that, on information and belief, were known to and used by Messrs.
11 Mathrubootham and Krishnasamy while employed at Zoho. For example, Freshworks' second
12 product, Freshservice – an IT Service Management (ITSM) tool – launched in competition with
13 Zoho's ManageEngine ServiceDesk Plus software, a tool that Mr. Mathrubootham worked on while
14 at Zoho. Freshworks then launched Freshsales in competition with Zoho CRM, Freshteam in
15 competition with Zoho Recruit, and Freshchat in competition with Zoho Chat.

16 10. Since then, Freshworks has continued the practice of misappropriating Zoho's
17 confidential and competitive business information to compete with Zoho. Knowing Zoho employees
18 have unique knowledge of the market landscape, competitive pricing, and Zoho's development paths
19 for its business tools, Freshworks has recruited over a hundred employees from Zoho to gain access
20 to such confidential Zoho information.

21 11. On information and belief, Freshworks has also been improperly accessing Zoho's
22 customer data. As recently as February 24, 2020, Freshworks has been systematically contacting
23 Zoho's customers using Zoho confidential information. In some of these instances, Freshworks
24 contacted Zoho's customers at email addresses the customers created solely for registration with
25 Zoho's cloud-based offerings. The only way Freshworks would have knowledge of the email
26 addresses it used to contact Zoho's customers is through unauthorized direct access of Zoho's
27 confidential CRM database, which houses Zoho's confidential customer lists and leads, as well as
28 confidential and competitive pricing and customer requirements data.

12. Zoho has also made significant investments in the creation of a robust network of Partners, including independent software vendors (ISVs) and channel partners that either re-sell Zoho software, integrate their services with Zoho's tools for end-user clients, or use Zoho's software in providing services to clients. The cooperative nature of Zoho's relationship with its Partners and the integration of their respective technical offerings often require Zoho and its Partners to exchange confidential and proprietary technical, marketing, pricing, and customer information subject to strict confidentiality obligations.

13. On information and belief, Freshworks is contacting Zoho's Partners and asking them to convert to Freshworks' Partner programs. On information and belief, as part of this sales and marketing practice, Freshworks is pressuring Zoho's Partners to switch all their Zoho-based sales contracts, clients, and projects to Freshworks and disclose to Freshworks Zoho confidential the Partners may have in their possession.

14. Instead of generating its own sales leads, mapping out its own product development plan, building a foundational relationship with customers, Freshworks is stealing and using Zoho confidential business information, piggybacking on Zoho's long-term investments in product development and marketing strategy, and interfering with Zoho's relationships with Partners to compete in the marketplace. In light of Freshworks' misappropriation of Zoho's confidential information and intentional interference with business relationships, Zoho brings this Complaint to prevent any further theft and misuse of its proprietary information, to prevent Freshworks from continuing to disrupts its business relationships, and to stop Freshworks from gaining an unfair business advantage through Zoho's hardwork and leadership in the industry. Zoho has suffered and will continue to suffer if Freshworks is allowed to continue its illegal tactics to access and use Zoho trade secrets and other confidential information.

PARTIES

15. Zoho is a corporation duly organized and existing under the laws of the country of India, with a principal place of business at Estancia IT Park, Plot No. 140 & 151, GST Road, Vallancherry Village, Chengalpattu Taluk, Kanchipuram District 603 202, India, and is the parent of Zoho Corporation, a wholly owned subsidiary corporation duly organized and existing under the laws

1 of the State of California, having its principal place of business at 4141 Hacienda Drive, Pleasanton,
2 California 94588.

3 16. Freshworks is a company organized and existing under the laws of the State of
4 Delaware, with its headquarters located at 2950 S. Delaware Street, Suite 201, San Mateo, CA 94403.

5 **JURISDICTION AND VENUE**

6 17. This Court has personal jurisdiction over Freshworks because Freshworks is
7 headquartered in this judicial district and has systematic and continuous contacts with the District.

8 18. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331
9 because Zoho alleges a claim under the Defend Trade Secrets Act of 2016, 18 U.S.C. § 1836, *et seq.*
10 The Court has subject matter jurisdiction over any related state law claims under 28 U.S.C. § 1367.

11 19. Venue is proper in this district under 28 U.S.C. § 1391, because a substantial part of
12 the acts constituting and injuries arising from the trade secret misappropriation, and interference with
13 business relationships asserted herein have occurred and are occurring or have effect in this judicial
14 district.

15 20. For purposes of intradistrict assignment under Civil Local Rules 3-2(c) and 3-5(b), this
16 action will be assigned on a district-wide basis.

17 **FACTUAL ALLEGATIONS**

18 A. **Zoho Built Its Success Upon Its Deep Understanding of the Needs of Mid-Size
19 Companies**

20 21. Since its founding in 1996, Zoho has grown to a global software company with over
21 7,000 employees world-wide. Starting out with just a single network management software product,
22 almost twenty-five years later, Zoho now operates three divisions: (1) ManageEngine, offering a
23 suite of over 30 IT management software products from service management, to IT operations
24 management, to IT security management and analytics; (2) WebNMS, an enterprise-scale Internet of
25 Things (IoT) platform that enables business to manage remote assets, from data acquisition to device
26 management; and (3) Zoho.com, a web-based offering of over 50 apps addressing the software needs
27 of all departments within an organization, from CRM tools for sales departments, to email and
28

1 document management software for project management, to accounting and invoicing software for
2 finance departments, to recruiting and staff management tools for human resources.

3 22. Zoho's success lies in its deep understanding of and long-term commitment to the
4 needs of its customers, enabled by the company's unique structure and culture. As a privately-held
5 company, Zoho is unburdened by external stakeholder pressures to hit development milestones or
6 revenue numbers divorced from the realities of market demand. This allows Zoho to set long-term
7 goals, to invest in building products and designing software packages and releases that it truly
8 believes customers will need, but may take longer to develop or gain traction in the marketplace.
9 Zoho.com was one such project, taking a long time to generate significant revenue, but has since
10 become the future vision for the company – providing a suite of software that can be used to run the
11 entirety of a business.

12 23. Zoho similarly applies the long-term approach to the recruitment and development
13 software engineers, the foundation of any software company. A true believer in practical and
14 experiential learning, Zoho invests heavily in the recruitment of young talent from low-income
15 households in India through its Zoho University program. At no cost to the recruits, Zoho trains them
16 on the practical and hands-on skills needed to code and build software applications. Upon
17 completion of the program, recruits are automatically inducted as employees with the skills, context,
18 and understanding of how to build tools that will help companies like Zoho run on a day-to-day basis.
19 See <https://www.zohoschools.com/>.

20 24. All Zoho employees, from its executives, to its engineers, to its accountants, and to its
21 salespeople, contribute to Zoho's culture of experiential learning. All employees use Zoho's software
22 tools in the daily performance of their duties. Zoho's own experience using its software products
23 offers the company invaluable insight into what tools and features will make it easier for mid-size
24 companies to operate the different parts of their business. Thus, everyone across Zoho's organization
25 contributes to the creation of valuable marketing and product development information that gives
26 Zoho a competitive advantage in the market. Zoho captures this highly confidential and proprietary
27 competitive information in its own internal Zoho Projects and ServiceDesk Plus applications.
28 Employees can also communicate with the relevant product team regarding any product concerns and

1 everything is collected and tracked using Zoho Projects. Thus, internally Zoho employees contribute
2 to and maintain data on how to improve Zoho's products.

3 25. With over two decades of experience providing software tools to help companies
4 operate, Zoho understands there are countless ways Zoho's products can reach and benefit end users.
5 As such, in addition to normal sales channels, Zoho has invested significantly in building
6 relationships with business Partners to provide end-users with the best possible software tools. Zoho
7 partners with ISVs to integrate their respective technologies and provide robust solutions to
8 customers. It also works with channel partners who may resell Zoho products or use Zoho products
9 when providing end services to clients. Zoho's culture of building relationships, services and
10 products that benefit users in the long-term helps to nurture these partnerships and build Zoho's
11 ecosystem. This type of cooperation often requires Zoho to share confidential technical and customer
12 and sales lead data with strategic partners. See <https://www.zoho.com/partners/>.

13 26. But because Zoho's knowledge regarding customer needs, its customer base, that it
14 built over two decades, and sales relationships are what give Zoho a competitive advantage, Zoho
15 rigorously protects its confidential information. All Zoho business Partners are bound by strict
16 confidentiality provisions, and all Zoho employees are required to execute non-disclosure
17 agreements, prohibiting them from using or disclosing Zoho confidential and proprietary information
18 outside of their work duties. Employee confidentiality obligations extend to all non-public Zoho
19 information, including customer lists, potential leads, technical information, marketing strategy, and
20 product ideas and feedback. Access to Zoho's internal CRM databases that house contact
21 information for all its customers, sales leads, upcoming opportunities, products of interest, and
22 customer requirements are limited to employees with roles and responsibilities requiring access. Zoho
23 limits access to its accounts through two-factor authentication and password protection protocols.

24 **B. Former Zoho Employees Founded Freshworks Using Zoho's Confidential
25 Information**

26 27. From 2001 to 2010, Messrs. Mathruboortham and Krishnasamy worked at Zoho and
27 were subject to the same confidentiality obligations as all other employees. At the time of his
28 departure from Zoho in 2010, Mr. Mathruboortham was the VP of Product Management for

1 ManageEngine and his responsibilities included heading up Pre-sales and Customer Support for the
2 product. Mr. Krishnasamy worked as a Technical Architect on Mr. Mathrubootham's team. As such,
3 on information and belief, both Messrs. Mathrubootham and Krishnasamy had access to and
4 knowledge of Zoho confidential business information, including technical development data, sales
5 leads, customer lists, customer requirements, and Zoho's future product launches.

6 28. Specifically, in his role at Zoho managing customer support services for
7 ManageEngine, on information and belief, Mr. Mathrubootham had access to, and may have even
8 contributed to, what features and tools Zoho was planning for a customer support management tool.
9 Indeed, during his tenure at Zoho, Mr. Mathrubootham handled engineering, product strategy,
10 development, and customer support for several Zoho product lines including OpsManager and
11 ServiceDesk Plus, and even claims to have identified five new Zoho product opportunities for
12 development. *See* <https://www.linkedin.com/in/girish1/>. As such, Mr. Mathrubootham knew from
13 Zoho proprietary and confidential information what the demand for a customer support product was
14 and what customer support features would be important in a customer service management software
15 application.

16 29. Using this knowledge, in October 2010, Mr. Mathrubootham, along with Mr.
17 Krishnasamy, departed Zoho to form Freshworks and work on a prototype for a customer service
18 management tool. <https://www.freshworks.com/company/about/>. Within a month of their departure,
19 Zoho officially launched its customer support management tool, Zoho Support (now Zoho Desk),
20 development of which was underway while Mr. Mathrubootham was still employed with Zoho. *See*
21 <https://www.zoho.com/news/zoho-announces-zoho-support.html>.

22 30. Just eight months later, in June 2011, Freshworks launched its Freshdesk customer
23 service solution in competition with Zoho Support. That same month, when marketing and seeking
24 investments in Freshworks, Mr. Mathrubootham started using in Freshworks materials non-public
25 Zoho revenue numbers for Zoho ServiceDeskPlus and OpsManager, product lines he was responsible
26 for while at Zoho. Mr. Mathrubootham disclosed Zoho's confidential revenue figures to investors in
27 pitch materials and in published interviews, presumably suggesting that his Freshdesk product would
28 perform similarly.

1 **C. Freshworks Continues to Use Zoho Confidential Information to Compete Against**
2 **Zoho**

3 31. Despite removing Zoho's confidential revenue information from Freshworks'
4 materials, Freshworks has continued to copy or target Zoho in its product, sales, and marketing
5 strategies using Zoho confidential information.

6 32. Knowing that Zoho employees have access to and retain valuable information
7 regarding Zoho product requirements, development roadmaps, and revenue numbers, Freshworks
8 aggressively recruits Zoho employees to join Freshworks. As alleged above, in the ten years since its
9 founding, Freshworks has recruited over one hundred employees from Zoho. The Zoho team in
10 charge of Zoho's SalesIQ and Click products, for example, has seen what, at one point, constituted
11 almost a third of its workforce leave for Freshworks in the past few years.

12 33. Freshworks' recruitment efforts have not been limited to building a workforce in its
13 nascent stages. In the first two months of 2020 alone, another seven Zoho technical and sales
14 employees have been recruited by Freshworks. Recruitment of Zoho employees alone would not be
15 an issue. Freshworks, however, knows that Zoho employees have unique knowledge of the market
16 landscape, pricing data, sales opportunities, and Zoho's development paths for its business tools. On
17 information and belief, Freshworks specifically directs recruitment at Zoho employees to gain access
18 to this type of Zoho's confidential customer, marketing, sales, and product development information.

19 34. Indeed, Freshworks' company strategy has been to track the launch and release of
20 Zoho products. As alleged above, following the launch of Freshdesk in June 2011, Freshworks
21 released a series of products to compete with the software products offered by Zoho. In 2014,
22 Freshworks released Freshservice, an IT Service Management (ITSM) tool which competes with
23 Zoho's ServiceDesk Plus software, one of the products for which Mr. Mathrubootham managed
24 product development, marketing, and customer support while at Zoho. ServiceDesk Plus is also the
25 Zoho product for which Freshworks had and disclosed confidential revenue numbers. In 2016,
26 Freshworks launched Freshsales to compete with Zoho CRM and in 2017, it launched Freshteam to
27 compete with Zoho Recruit and Freshchat to compete with Zoho SalesIQ. On information and belief,
28 Freshworks then relies on the former employees' knowledge of Zoho's confidential competitive sales
and pricing data to undercut pricing or target sales strategies to Zoho's customers and sales leads.

1 35. In addition to product development and sales, Freshworks has used Zoho's
 2 confidential information acquired through recruitment of former employees to craft Freshworks'
 3 marketing and press strategy, timing its press releases to coincide with Zoho's major product
 4 announcements in an effort to dull the market impact of the launch of new Zoho products, as shown
 5 below:

Date	Zoho Product Announcement	Freshworks Press Release
7/27/16	<ul style="list-style-type: none"> • Zoho announces launch of Zoho CRM product, the industries from multichannel CRM product (https://www.zoho.com/news/zoho-launches-industry-first-multi-channel-crm.html) • Zoho announces launch of SalesInbox (https://www.zoho.com/news/zoho-launches-the-first-email-client-designed-exclusively-for-salespeople.html) • Zoho announces Zoho Developer and Zoho Marketplace offerings (https://www.zoho.com/news/zoho-developer-and-zoho-marketplace-gives-developer.html) 	<ul style="list-style-type: none"> • Freshworks press release regarding (https://www.freshworks.com/press-release/getapp-names-freshdesk-category-leader/)
3/14/17	<ul style="list-style-type: none"> • Zoho announces launch of Zoho Finance Plus (https://www.zoho.com/news/zoho-launches-zoho-finance-plus.html) 	<ul style="list-style-type: none"> • Freshworks press release regarding partnership with Rolo, issued four days after Rolo's announcement of the same partnership (https://www.freshworks.com/press-release/freshdesk-partners-with-rolo/) and (https://www.getrolo.in/pr_mar10_2017/)
11/15/18	<ul style="list-style-type: none"> • Zoho announces launch of Zoho Analytics – business intelligence and analytics platform (https://www.zoho.com/news/zoho-analytics-enables-organizations-to-make-smarter-business-decisions.html) • Zoho announces major updates to Zoho Social (https://www.zoho.com/news/richer-analytics-makes-zoho-social-a- 	<ul style="list-style-type: none"> • Freshworks press release regarding executive hires (https://www.freshworks.com/press-release/leadership-hires-cio-ciso/)

	<p>powerful-platform-for-social-media-marketers.html</p> <ul style="list-style-type: none"> • Zoho announces updates to Zoho Desk (https://www.zoho.com/news/zoho-doubles-down-on-ai-as-it-sees-exponential-growth-in-its-customer-service-management-solution.htm) • Zoho unveils next generation of Zoho CRM Plus (https://www.zoho.com/news/zoho-deepens-analytics-and-ai-in-new-customer-experience-platform.html) 	
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9 36. Most egregious, however, has been Freshworks' concerted efforts to steal Zoho
10 confidential competitive sales information, such as customer lists, sales leads, and customer
11 requirements that integral to Zoho's product development, marketing, and sales strategies.
12 Freshworks has unlawfully gained access to Zoho data stored in Zoho's confidential Zoho CRM
13 database and its sales personnel have been aggressively contacting these Zoho customers. Zoho's
14 Zoho CRM database is not publicly available and is only accessible to "need-to-know" employees
15 under the above-described password and two-factor authentication protocol.

16 37. On information and belief, Freshworks, however, has gained accessed and
17 misappropriated Zoho's confidential customer, sales, and product requirements information housed in
18 Zoho's Zoho CRM database. On information and belief, Freshworks has been contacting Zoho
19 customers and leads, using contact information that resides solely on Zoho's CRM database. For
20 example, on February 24, 2020, Mallikarjun "Arjun" Ravikumar – a Freshworks Regional Head –
21 sent out several emails to customers listed in Zoho's confidential CRM database. Among them was
22 the following email sent to n*****@a*****.com, a Zoho client who had registered with Zoho
23 CRM and was entered into Zoho's database on January 23, 2020:

1 From: Mallikarjun Ravikumar <mallikarjun.ravikumar@freshworks.com>
2 Sent: Monday, February 24, 2020 10:56:13 PM
3 To: [REDACTED]
4 Subject: Hi [REDACTED] Introducing Freshworks
5
6 Hi [REDACTED]
7 I'm Arjun, regional head for Freshworks. Freshworks is a cloud-based SaaS company in the customer engagement space with 150,000 plus business customers worldwide, funded by top VCs such as Accel, Google Capital, Tiger and Sequoia with a valuation of over 1.5 Billion USD.
8 We are also a part of [Gartner's Magic Quadrant for CRM Customer Engagement Center](#).
9 I'm reaching out today to introduce Freshworks as a company and our products!
10 About Us: [Freshworks](#) is a fast-growing SaaS company based out of Chennai shipping products with the theme "Winning Customers for Life". We streamline the entire buying journey by delivering a solution for Website Engagement, Marketing Automation/Chat), CRM, Customer Support and IT Infrastructure.
11 Our Products:
12 1. Freshdesk - Helping the customer support agents with Customer Support desk to engage and respond to the customer queries from multiple channels.
13 2. Freshservice - ITIL aligned ITSM tool that helps the IT team to communicate better with the employees and makes the IT support process simple and handy. (IT Infrastructure & employee engagement)
14 3. Freshsales - High-velocity sales teams require a platform where they can see their customer or prospect journey in birds-eye view and pitch or sell accordingly. Freshsales CRM is one such tool that helps the sales team to attract, nurture, Convert and close deals, with its in-built phone and email system it will be loved by salespeople (Including myself !).
15 4. Freshchat/Freshbot - Modern live Chat that engages customers with any given point of time and New age AI-Driven BOT to eliminate basic human tasks in engagement space.
16 5. Freshteam - Smart HR software that helps you handle recruiting, on-boarding, time off and employee information in one place.
17 6. Freshrelease - Agile Project Management tool that allows you to track test results, triage bugs and ship quality software on time
18 For more details on any of these products and to see how these would help your organisation, drop me an email and I'll be happy to help.
19 Looking forward to hearing from you!
20
21  Mallikarjun Ravikumar
Regional Head - Freshworks
P: +91 9655518023
w: www.freshworks.com
Our Products
22
23 [Unsubscribe](#)

13 38. In response to questioning by the customer as to where Freshworks received the
14 customer's contact information, Mr. Ravikumar attempted to cover up his misconduct and responded
15 that he had used the wrong domain name:

16 From: Mallikarjun Ravikumar <mallikarjun.ravikumar@freshworks.com>
17 Sent: Monday, February 24, 2020, 11:27 PM
18 To: [REDACTED]
Subject: Re: Hi [REDACTED] Introducing Freshworks
Hi [REDACTED]

19 Apologies . I had sent to a [REDACTED] instead of a [REDACTED] I will have your ID immediately removed .

20 Regards,
[REDACTED]

21 On Mon, 24 Feb 2020, 10:59 pm [REDACTED] wrote:
22 Curious to know how you got my email address? Do you comply with GDPR?

23 Thanks,
[REDACTED]

24 39. That, however, was not the only instance of Freshworks' contacting Zoho customers
25 using information that exists only in Zoho's confidential CRM. That same day, Freshworks also sent
26 the same marketing email to a Zoho Partner:
27

From: Malikarjun Ravikumar
<mallikarjun.ravikumar@freshworks.com>
Date: Mon, 24 Feb 2023 at 17:28
Subject: Hi Zohoomplus, Introducing Freshworks
To: Zohoomplus sas <zohoomplus@████████.com>

Hi Zohoomplus,

I'm Arjun, regional head for Freshworks. Freshworks is a cloud-based SaaS company in the customer engagement space with 150,000 plus business customers worldwide, funded by top VCs such as Accel, Google Capital, Tiger and Sequoia with a valuation of over 1.5 Billion USD.

We are also a part of [Gartner's Magic Quadrant for CRM Customer Engagement Center](#).

I'm reaching out today to introduce Freshworks as a company and our products!

About Us: Freshworks is a fast-growing SaaS company based out of Chennai shipping products with the theme "Winning Customers for Life". We streamline the entire buying journey by delivering a solution for Website Engagement(Marketing Automation/Chat, CRM, Customer Support and IT Infrastructure.

Our Products:

1. **Freshdesk** - Helping the customer support agents with **Customer Support desk** to engage and respond to the customer queries from multiple channels.
2. **Freshservice - ITIL aligned ITSM** tool that helps the IT team to communicate better with the employees and makes the IT support process simple and handy. (IT Infrastructure & employee engagement)
3. **Freshsales** - High-velocity sales teams require a platform where they can see their customer or prospect journey in birds-eye view and pitch or sell accordingly. **Freshsales CRM** is one such tool that helps the sales team to attract, nurture, Convert and close deals with its in-built phone and email system it will be loved by salespeople (including myself! P).
4. **Freshchat/Freshbot** - Modern live Chat that engages customers with any given point of time and New age AI-Driven BOT to eliminate basic human tasks in engagement space.
5. **Freshteam - Smart HR software** that helps you handle recruiting, on-boarding, time off and employee information in one place.
6. **Freshrelease - Agile Project Management** tool that allows you to track test results, triage bugs and ship quality software on time

For more details on any of these products and to see how these would help your organisation, drop me an email and I'll be happy to help.

Looking forward to hearing from you!

freshworks-dew.png

Mallikarjun Ravikumar
Regional Head - Freshworks
P: +91 9655518023
w: www.freshworks.com

Our Products

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40. The Zoho Partner created the email account for the sole purpose of testing Zoho's CRM plus product, registering it with Zoho's CRM on January 29, 2020. The Partner has never used the email address anywhere else for any other purpose:

----- Forwarded message -----
From: [REDACTED]
>
Date: Mon 24 Feb 2020, 17:32
Subject: Fwd: Hi Zohocrmplus, Introducing Freshworks
To: [REDACTED] <[REDACTED]>

This email came in to an email address I set up while testing something with CRM Plus. I havent used it for anything else, so I wonder how Freshdesk got hold of it...?

[REDACTED]

[REDACTED]

Customer Success Manager,
[REDACTED]

41. Indeed, Zoho created several Zoho test accounts and registered them with Zoho's CRM on February 4, 2020 and February 12, 2020. Three test email accounts that exist only in Zoho's CRM also received the same marketing email from Freshworks on February 24, 2020. One of them, set up as [Showzohooneplus@gmail.com](mailto>Showzohooneplus@gmail.com), received the following email from Freshworks:

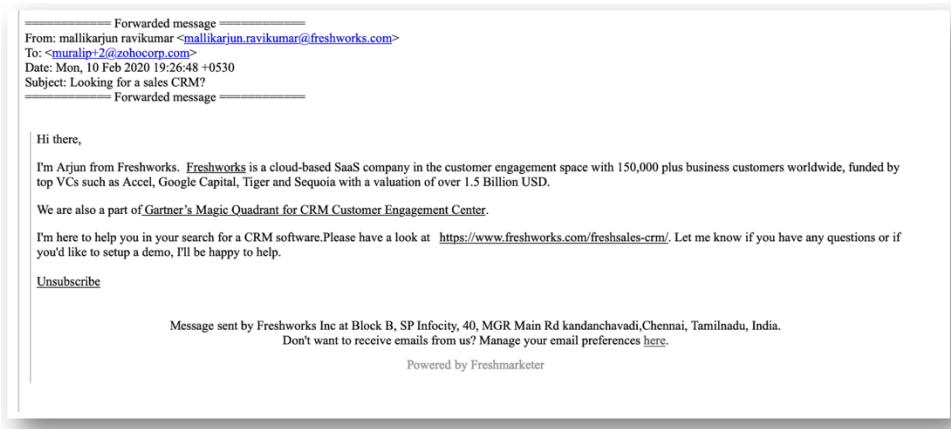
1 On Mon, Feb 24, 2020 at 11:01 PM Mallikarjun Ravikumar <mallikarjun.ravikumar@freshworks.com> wrote:
2 Hi Showzohooneplus,
3 I'm Arjun, regional head for Freshworks. [Freshworks](#) is a cloud-based SaaS company in the customer engagement space with 150,000 plus business customers worldwide, funded by top VCs such as Accel, Google Capital, Tiger and Sequoia with a valuation of over 1.5 Billion USD.
4 We are also a part of [Gartner's Magic Quadrant for CRM Customer Engagement Center](#).
5 I'm reaching out today to introduce [Freshworks](#) as a company and our products!
6 About Us: [Freshworks](#) is a fast-growing SaaS company based out of Chennai shipping products with the theme "Winning Customers for Life". We streamline the entire buying journey by delivering a solution for Website Engagement(Marketing Automation/Chat), CRM, Customer Support and IT Infrastructure.
7 Our Products:
8 1. [Freshdesk](#) - Helping the customer support agents with [Customer Support](#) desk to engage and respond to the customer queries from multiple channels.
9 2. [Freshservice](#) - [ITIL aligned](#) [ITSM](#) tool that helps the IT team to communicate better with the employees and makes the IT support process simple and handy. (IT Infrastructure & employee engagement)
10 3. [Freshsales](#) - High-velocity sales teams require a platform where they can see their customer or prospect journey in birds-eye view and pitch or sell accordingly. [Freshsales CRM](#) is one such tool that helps the sales team to attract, nurture, Convert and close deals, with its in-built phone and email system it will be loved by salespeople (Including myself :P).
11 4. [Freshchat/Freshbot](#) - Modern live Chat that engages customers with any given point of time and New age AI-Driven BOT to eliminate basic human tasks in engagement space.
12 5. [Freshteam](#) - Smart HR software that helps you handle recruiting, on-boarding, time off and employee information in one place.
13 6. [Freshrelease](#) - Agile Project Management tool that allows you to track test results, triage bugs and ship quality software on time
14 For more details on any of these products and to see how these would help your organisation, drop me an email and I'll be happy to help.
15 Looking forward to hearing from you!
16 
17 **Mallikarjun Ravikumar**
18 Regional Head - Freshworks
19 P: +91 9655518023
20 w: www.freshworks.com
21 Our Products
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12 42. In response to follow up inquiry as to how Freshworks received the email address, Mr.
13 Ravikumar responded that he received it from a channel partner who also sells Zoho products, despite
14 the fact that Zoho has never shared this showzohooneplus test email account with anyone:

15 From: Mallikarjun.Ravikumar@freshworks.com
16 Date: Wed, Mar 4, 2020 at 4:13 PM
17 Subject: Re: Hi Showzohooneplus, Introducing Freshworks
18 To: showzohooneplus <showzohooneplus@gmail.com>
19
20 I'm sorry we are not supposed to share partner details. Having said that, I had a discussion with the partner and he claims that he also resells Zoho products.
21 Best regards,
22 
23 **Mallikarjun Ravikumar**
24 Regional Head - India & SAARC, Freshworks
25 P: +91 9655518023
26 w: www.freshworks.com
27 Our Products
28
29
30 On Wed, Mar 4, 2020 at 9:20 AM showzohooneplus <showzohooneplus@gmail.com> wrote:
31 Thanks, can you also give me the contact details of the partner you are referring to? Let me talk to them to understand how they got my email address.
32 Rupi
33 On Tue, Mar 3, 2020 at 8:40 PM Mallikarjun Ravikumar <mallikarjun.ravikumar@freshworks.com> wrote:
34 Hi,
35 It was from one of our channel partners who had sent us this E-mail id claiming you have shown interest. I have no idea on his source. Let me clarify from them on the same. Having said that, I will remove your E-mail from all the records and avoid further communication.
36
37 
38 **Mallikarjun Ravikumar**
39 Regional Head - India & SAARC, Freshworks
40 P: +91 9655518023
41 w: www.freshworks.com
42 Our Products
43
44 On Tue, Mar 3, 2020 at 12:09:15 GMT+05:30, showzohooneplus <showzohooneplus@gmail.com> wrote:
45 Hey Arjun,
46 It is interesting to see that I have received this email without signing up to your service or website. Did you buy some list? or how did you get my email?
47 Thanks,
48 Rupi

27 43. Just a few days earlier, on February 10, 2020, two other Zoho test accounts using
28 Zoho email addresses created solely for internal Zoho testing and registered with Zoho's CRM on

1 January 2 and 3, 2020 received marketing emails from Freshworks. For example, a test
 2 muralip+2@zohocorp.com email account received the following email from Mr. Ravikumar of
 3 Freshworks:



11 44. As Zoho's test accounts are not registered or used anywhere else, on information and
 12 belief, Freshworks has gained accessed Zoho's confidential CRM database at least once sometime
 13 between registration of Zoho's "muralip+2" test account into its CRM on January 3, 2010 and
 14 Freshworks' sending of the February 10, 2020 marketing email.

15 45. On information and belief, Freshworks again gained accessed to Zoho's CRM
 16 database at least once sometime between the February 12, 2020 registration of Zoho's test account
 17 into its CRM and Freshworks' sending of its February 24, 2020 marketing email to the test accounts.
 18 While these are the unauthorized access of Zoho's CRM that Zoho is aware of from its test accounts
 19 and discussions with customers, the full scope of Freshworks' systematic and unlawful breach of
 20 Zoho's confidential CRM, and the full effects of that violation, is unknown at this time. Zoho's
 21 confidential internal Zoho CRM database contains not only customer contact information, it also
 22 contains sales leads, customer feedback on products and pricing, and customer requirements. Thus,
 23 on information and belief, Freshworks has unlawfully access all this Zoho confidential and
 24 proprietary competitive business information.

25 46. Freshworks' theft and misappropriation of Zoho's confidential customer data is not
 26 limited to the unauthorized access and theft of data from Zoho's Zoho CRM. Freshworks has also
 27 been aggressively pressuring Zoho Partners who are under strict confidentiality obligations to

1 disclose Zoho confidential information in connection with conversion of their Zoho projects and
2 customers to competing Freshworks platforms. Instead of trying to compete with Zoho on a level
3 playing field in the marketplace, Freshworks is now interfering with Zoho's ongoing and prospective
4 relationships with its channel partners and seeking to have them violate their confidentiality
5 agreements with Zoho.

6 **D. Zoho Has Been Harmed by Freshworks Unauthorized Access to and Use of Zoho
7 Confidential Information**

8 47. Zoho built its business on significant investment in its products and employees. Zoho
9 develops its products with a long-term vision of offering a suite of products and services that will
10 address a company's entire software needs. That thorough understanding of customer requirements,
11 which begins with Zoho's investment in internal talent through its employee training programs and
12 ends with its use and belief in its own products, is what has enabled Zoho to amass a robust and loyal
13 customer base. Its reputation, built over two decades in the industry, opens doors to sales leads and
14 partnership opportunities.

15 48. By misappropriating Zoho's customer lists, sales lead data, pricing information, and
16 product and market information Freshworks is trying to shortcut the hard work and goodwill that is
17 necessary to build a robust customer following. Freshworks' systematic copying of Zoho's product
18 development, contacting of Zoho customers and sales leads using Zoho's confidential customer and
19 sales information, and sales tactics using Zoho's confidential pricing and customer requirements
20 information gives Freshworks an unfair advantage by allowing it (1) to avoid having to expend the
21 time and resources to identify and target sales leads, (2) do the development and testing work needed
22 to identify features and functionalities potential customers may want, and (3) undercut Zoho on
23 pricing using confidential information, enabling Freshworks to get a head start competing against
24 Zoho. It harms Zoho by potentially diverting customers or allowing Freshworks to undercut Zoho on
25 pricing or other sales terms.

26 49. With this action, Zoho seeks to vindicate its rights, prevent any further theft and
27 misuse of confidential, proprietary trade secret information, and obtain compensation for its damages
28 and for Freshworks' enrichment resulting from its unlawful conduct.

FIRST CAUSE OF ACTION
(Violation of Defense of Trade Secret Act)

50. Zoho incorporates all of the above paragraphs as though fully set forth herein.

51. Zoho owns and possesses certain confidential, proprietary, and trade secret information, as alleged above. For example, Zoho's trade secrets include customer identity and contact information as well as sales leads maintained in Zoho's CRM and shared with Zoho's Partners. It also includes marketing and product development, launch plans, market data and timelines.

52. Zoho's trade secrets relates to products and services used, sold, and ordered in, or intended to be used, sold, and/or ordered in, interstate and foreign commerce.

53. Zoho has taken reasonable measures to keep such information secret and confidential. For example, access to Zoho's CRM is limited to only those Zoho employees who need access to the information to perform their job responsibilities. All employees are subject to confidentiality agreements that prohibit employees from using or disclosing Zoho information outside of Zoho both during and after their employment with Zoho. All channel partners with access to Zoho confidential customer and product information are bound by strict confidentiality provisions.

54. Because of Zoho's confidentiality provisions, its confidential and proprietary trade secret information is not available to others in the web-based business software industry to use through any legitimate means.

55. Zoho's confidential and proprietary trade secret information derives independent economic value from not being generally known to, and not being readily ascertainable through proper means by, another person who could obtain economic value from the disclosure or use of that information.

56. In violation of Zoho's rights, Freshworks misappropriated Zoho's confidential and proprietary trade secret information in the unlawful manner as alleged herein. Freshworks' misappropriation of Zoho's confidential and proprietary trade secret information was intentional, knowing, willful, malicious, fraudulent, and oppressive. Freshworks has attempted and continues to attempt to conceal its misappropriation.

57. On information and belief, if Freshworks is not enjoined, Freshworks will continue to misappropriate and use Zoho's trade secret information to its own benefit and to Zoho's detriment.

58. As a direct and proximate result of Freshworks' conduct, Zoho has suffered, and if Freshworks' conduct is not stopped, will continue to suffer severe competitive harm, irreparable injury, and significant damages, in an amount to be proven at trial. Because Zoho's remedy at law is inadequate, Zoho seeks, in addition to damages, preliminary and permanent injunctive relief to recover and protect its confidential and proprietary trade secret information and to protect other legitimate business interests. Zoho operates in a competitive market and will continue to suffer irreparable harm absent injunctive relief.

59. Zoho has been damaged by all the foregoing and is entitled to an award of exemplary damages and attorneys' fees.

SECOND CAUSE OF ACTION

60. Zoho incorporates all of the above paragraphs as though fully set forth herein.
61. Zoho's confidential customer lists, sales leads, and product development and launch plans and timelines constitute trade secrets defined by California's Uniform Trade Secrets Act. Zoho owns and possesses certain confidential, proprietary, and trade secret information, as alleged above. For example, Zoho's trade secrets include customer identity and contact information as well as sales leads maintained in Zoho's CRM and shared with Zoho's Partners.

62. Zoho has taken reasonable measures to keep such information secret and confidential. For example, access to Zoho's CRM is limited to only those Zoho employees who need access to the information to perform their job responsibilities. All employees are subject to confidentiality agreements that prohibit employees from using or disclosing Zoho information outside of Zoho both during and after their employment with Zoho. All channel partners with access to Zoho confidential customer and product information are bound by strict confidentiality provisions.

63. Freshworks new or should have known under the circumstances that the information misappropriated by it were trade secrets.

64. Freshworks misappropriated and threaten to further misappropriate trade secrets at least by acquiring trade secrets with knowledge of or reason to know that the trade secrets were acquired by improper means, and Freshworks is using the trade secrets acquired by improper means without Zoho's knowledge or consent.

65. As a direct and proximate result of Freshworks' conduct, Zoho is threatened with injury and has been injured in an amount that will be proven at trial. Zoho has also incurred, and will continue to incur, additional damages, costs, and expenses, including attorneys' fees, as a result of Freshworks' misappropriation. As a further proximate result of the misappropriation and use of Zoho's trade secrets, Freshworks was unjustly enriched.

66. Freshworks' misappropriation of Zoho's confidential and proprietary trade secret information was willful, malicious, and fraudulent. Freshworks is therefore entitled to exemplary damages under California Civil Code § 3426.3(c).

67. Freshworks' conduct constitutes transgressions of a continuing nature for which Zoho has no adequate remedy at law. Unless and until enjoined and restrained by order of this Court, Freshworks will continue to retain and use Zoho's trade secret information to enrich itself and divert business from Zoho. Pursuant to California Civil Code § 3426.2, Zoho is entitled to an injunction against the misappropriation and continued threatened misappropriation of trade secrets as alleged herein and further asks the Court to allow discovery into the scope of Freshworks' unauthorized access of and misappropriation of Zoho's trade secret, and to restrain Freshworks from using all trade secret information misappropriated from Zoho and to return all trade secret information to Zoho.

68. Pursuant to California Civil Code § 3426.4 and related law, Zoho entitled to an award of attorneys' fees.

THIRD CAUSE OF ACTION **(Intentional Interference Prospective Economic Advantage)**

69. Zoho incorporates all of the above paragraphs as though fully set forth herein.

70. Zoho had economic relationships with Partners as well as their downstream clients, with the probability of future economic benefit to Zoho

71. Freshworks had knowledge of Zoho's relationship with its sales and channel Partners' confidentiality obligations to Zoho.

72. Freshworks intentionally interfered with Zoho's relationship with its Partners, encouraging them to switch their clients from Zoho over to Freshworks products.

73. Freshworks' conduct is independently wrongful in that it constituted an unlawful misappropriation, theft, and conversion of Zoho's proprietary information.

74. Freshworks' conduct caused Zoho to lose future economic benefit by causing lost business relations with its Partners and end users, lost sales and other damages, and continued harm through Freshworks' possession and misuse of Zoho's customer information. Zoho will continue to be harmed unless Freshworks is enjoined from continuing its wrongful conduct and practice.

75. Zoho will be irreparably injured by the continued acts of Freshworks until and unless it is enjoined. Zoho has no adequate remedy at law.

FOURTH CAUSE OF ACTION
(Conversion)

76. Zoho incorporates all of the above paragraphs as though fully set forth herein.

77. Zoho is the exclusive and rightful owner of the Zoho confidential and proprietary information alleged herein, including customer identity and contact information as well as sales leads maintained in Zoho's CRM and shared with Zoho's Partners. It also includes marketing and product development and launch plans and timelines

78. Freshworks willfully converted Zoho's confidential and proprietary information to its own use as part of a systematic practice of stealing Zoho's information to gain an advantage in sales and software development.

79. Zoho, as the rightful owner, is entitled to its possession and has an absolute and unconditional right to the exclusive possession of the confidential and proprietary information.

80. Freshworks has wrongfully and without authorization obtained and retained control and dominion over Zoho's confidential and proprietary information.

81. Freshworks' continued possession and retention of Zoho's confidential and proprietary information constitutes conversion and has harmed Zoho.

82. Freshworks, on information and belief, is still in possession of Zoho's confidential and proprietary information, and is still able to use this information.

83. As the direct and proximate result of Freshworks' conduct, including the theft of Zoho's confidential and proprietary information, Zoho has suffered and will suffer irreparable injury and significant damages, in an amount over the jurisdictional minimum of this court and to be proven at trial.

84. Punitive damages are proper to punish Freshworks for its willful, intentional, and malicious conversion and to deter future tortious conduct.

FIFTH CAUSE OF ACTION **(Unjust Enrichment)**

85. Zoho incorporates all of the above paragraphs as though fully set forth herein.

86. Freshworks wrongfully received Zoho's confidential and proprietary information described above, which it relied on to unlawfully compete with Zoho.

87. Zoho's confidential and proprietary information was wrongfully obtained by Freshworks and Freshworks knew that Zoho's confidential and proprietary information was wrongfully obtained and shared.

88. Freshworks used Zoho's confidential and proprietary information for its own financial benefit, including to divert business from Zoho to Freshworks.

89. Zoho was never compensated for the value of Zoho's confidential and proprietary information by Freshworks. Freshworks was unjustly enriched by receiving Zoho's confidential and proprietary information and using it to compete with Zoho in sales.

90. As a direct result of Freshworks' theft of Zoho's confidential and proprietary information, Freshworks substantially enriched by receiving sales leads and product development ideas.

91. It would be unconscionable to allow Freshworks to retain the benefit of the use of Zoho's confidential and proprietary information given their wrongful conduct it the misappropriation of the data.

92. Freshworks' conduct constitutes transgressions of a continuing nature for which Zoho has no adequate remedy at law. Unless and until enjoined and restrained by order of this Court, Freshworks will continue to steal, retain and use Zoho's trade secret information to enrich itself and divert business from Zoho. Zoho is entitled to equitable relief against Freshworks under the fundamental principles of justice as prayed herein.

DEMAND FOR JURY TRIAL

93. Zoho respectfully requests a jury trial in this action under the Federal Rules of Civil Procedure on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Zoho demands judgment against Freshworks as follows:

1. Judgment in Zoho's favor against Freshworks on all causes of action alleged herein;
2. A preliminary and/or permanent injunction restraining Freshworks from maintaining possession of, directly or indirectly disclosing, or further misappropriating or directly using Zoho's confidential and proprietary information;
3. For an order requiring Freshworks to certify, in writing, under oath, that they have returned and/or destroyed all Zoho's confidential and proprietary information and no longer have any such information, or materials containing or reflecting such information;
4. For an order requiring Freshworks to identify all Freshworks employees who have had access to Zoho's confidential and proprietary information;
5. For an order enjoining any Freshworks employee who has had access to Zoho's confidential and proprietary information from being involved in sales or marketing products in competition with Zoho;
6. For compensatory damages, according to proof, with interest thereon as provided by law;
7. For exemplary damages;
8. For punitive damages;
9. For pre- and post-judgment interest on all damages;
10. For attorneys' fees;

11. For costs of suit as provided by law; and
12. For such further and other relief as the Court deems just and proper.

Dated: March 17, 2020

Respectfully submitted,

MARTON RIBERA SCHUMANN & CHANG LLP

By: /s/ Ryan J. Marton
Ryan J. Marton

RYAN J. MARTON (SBN 223979)

ryan@martonribera.com

MARTON RIBERA SCHUMANN & CHANG LLP
548 Market Street, Suite 36117
San Francisco, CA 94104
Telephone: (415) 360-2515